DRAFT

HOUSING ELEMENT

of the

CITY OF NEEDLES

GENERAL PLAN

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PURPOSE

The purpose of the City of Needles housing element is to set forth goals, policies and programs which enable the City to define and achieve its housing objectives for the period from 1996 through 2001. This Housing Element will be used by City officials and private citizens in developing housing in the next five years. The Element's policies and programs establish close coordination between the City, the County of San Bernardino, the State of California and federal agencies, so that the City's residents can be assured a safe, adequate place to live. It is necessary to establish ties at all levels of government because of the inter-dependence of these agencies for programs, funding and technical assistance.

BACKGROUND

The Housing Element functions as an integral part of a comprehensive growth plan. As it manages development, the City must balance the need to assure adequate housing for all current and future members of the community against the need to provide and support existing and anticipated levels of public services and facilities. The Housing Element, therefore, directly relates to the amount and location of commercial and industrial development, the type and intensity of land uses, and the amount of housing development established through land use designations in the Land Use Element. In addition, the Housing Element relates to the availability of adequate roadways, pedestrian facilities and transit routes established in the Circulation, Transportation and Scenic Highways Element, and the protection of sensitive receptors established in the Hazards Element.

The Housing Element includes a description of existing housing types, condition of existing units, overcrowding, overpayment, homelessness, and the demand for affordable housing in the City. The Element also includes an analysis of the progress made since the drafting of the last Housing Element, and projections of needs for the next five years.

California Law

California Government Code requires that every City and County prepare a Housing Element as part of its General Plan. In addition, State law contains specific requirements for the preparation and content of Housing Elements. According to Article 10.6, Section 65580, the Legislature has found that:

(1) The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order.

(2) The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.

(3) The provision of housing affordable to low and moderate income households requires the cooperation of all levels of government.

(4) Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.

(5) The legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the General Plan and to cooperate with other local governments, and the state, in addressing regional housing needs. Section 65581 of the Government Code states that the intent of the Legislature in enacting these requirements is:
(7) To assure that local governments recognize their responsibilities in contributing to the attainment of the State housing goal.
(8) To assure that cities and counties prepare and implement housing elements which, along with federal and State programs, will move toward attainment of the State housing goal.
(9) To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the State housing goal as well as regional housing needs.
(10) To ensure that each local government cooperates with other local governments to address regional housing needs.

Government Code Section 65583 outlines the required content of all housing elements including identification and analysis of existing and projected housing needs, and a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. Specific requirements include the following:

(1) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The analysis should include population and employment trends; documentation of household characteristics; inventory of land suitable for residential development; governmental and other constraints to new housing development; analysis of any special housing needs and an assessment of existing affordable housing developments.
(2) A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the objectives of the housing element in order to meet the housing needs of all economic segments of the community.

PREVIOUS HOUSING ELEMENT EVALUATION

The City last revised its Housing Element in 1986, as part of a new General Plan. The Housing Element has remained in effect since that time. The following section examines the goals of that Element, and whether the City has been effective in meeting those goals.

Previous Housing Goals

1. *Provide a decent home and satisfying environment for all Needles residents regardless of age, sex, marital status, ethnic background, income or other arbitrary factor.*

The City has experienced moderate growth in the last ten years. The table below provides an annual total of residential units built since the previous Housing Element was prepared.

Table 1
Net Residential Units Built
City of Needles, 1985-1995

Year	Single Family	Multi-Family	Mobile Homes	Total Units Built
1984/85	58	32	n/a	90
1985/86	4	36	21	61
1986/87	4	2	18	24
1987/88	4	0	18	22
1988/89	10	28	16	54
1989/90	128	24	14	166
1990/91	12	6	19	37
1991/92	6	0	34	40
1992/93	16	0	36	52
1993/94	7	0	8	15
1994/95	19	0	4	23
Total	**268**	**128**	**188**	**584**

Source: City of Needles Building Department. Calculations are for fiscal year, July 1 through June 30. Represents units on which occupancy permits were issued and subtraction of units lost to fire or demolition.

Of the total of 584 units built and issued occupancy permits during the period, 268 were single family and 128 were multi-family. Additionally, a total of 188 mobile homes were installed. Clearly, Needles continues to provide housing of all types for its residents.

2. *Provide adequate housing in the City by location, type, price, and tenure, especially for those of low and moderate income and special needs households.*

The City has extended City services, including water and sewer, for the development of affordable and/or special needs housing, and issued revenue bonds in 1994 to replace aging water and sewer lines in the City's urban core, an area which contains the majority of the City's affordable housing stock. The City has also participated in land write-downs for affordable housing development.

The City has worked toward addressing the need for low and moderate income housing in the community. The following was established by SCAG as the City's share of regional housing needs to be addressed for the period from July 1 1989 to June 30, 1994. These quantified targets have been further extended to June 30, 1996.

Table 2
Needles SCAG Fair Share
By Income Category 1989-1994

Income Category	Number of Units SCAG 1989-94
Very Low	52
Low	76
Moderate	43
High	125
Total	**297**

During the last ten years, there were 584 units constructed, providing a variety of housing types. As discussed in the Housing Values section of this Element, the median housing value in 1990 was $62,900.00, well within the definitions of affordability. If a 4% annual inflation factor is added, it can be estimated that median housing values rose to $76,500.00, still considered an affordable cost for housing.

3. *Encourage sound growth in the City by designating suitable sites for residential development.*

Development policies and ordinances assure that commercial, industrial and other potentially incompatible land uses are required to comply with specific site planning and other design standards, which buffer these uses from adjacent residential development. Walls, landscape screens and noise barriers have been made a part of commercial developments which have potential to adversely impact residential neighborhoods. Traffic planning has also been implemented to limit through-traffic and reduce trips to local traffic only.

4. *Improve and conserve existing residential neighborhoods.*

In 1994, the City used a revenue bond issue to fund the re-construction of water, sewer and roadways within the core of central Needles, an area which contains the City's oldest neighborhoods, and a number of low income households. The City has also established more active code enforcement programs to ensure that unsafe conditions in residential units are abated quickly, in order to preserve the health and safety of local residents in the central neighborhoods.

5. *Reduce residential energy use within the City in order to help decrease housing costs and conserve the resource.*

As a City-owned utility, the City's electric service is closely monitored through every budget cycle. In addition to conservation programs already in place, the City has instituted credits to home buyers and builders who construct Responsible Resource Homes. These credits can amount to a substantial annual savings to the homeowner by utilizing the latest technology, and exceeding the requirements of Title 24 construction regulations.

Previous Housing Element Policies and Programs

The previous Housing Element was adopted over ten years ago. The policies and programs adopted at that time have either been implemented, or become obsolete. Some, including the preservation of mobile homes and the provision of housing for the handicapped, have been carried into this Element. Since adoption of the last Element, programs requiring the adoption of a "granny flat" ordinance, density bonuses for affordable housing projects, the promotion and implementation of in-fill projects, and the creation of incentives for energy-efficient housing construction have all been implemented. Policies and programs geared to the redevelopment of downtown buildings for mixed use development, with commercial at the street level and residential above, have had limited implementation, and some success, and have been continued in this Element. Because of the age of the City's housing stock, policies and programs which stress preservation and improvement of existing properties continue to be important in the Housing Element.

DEMOGRAPHIC INFORMATION

This section of the Housing Element of the Needles General Plan contains relevant demographic, household, and socioeconomic data. This information is primarily based on data provided in the 1990 U.S. Census of Population and Housing, the California Department of Finance, the City of Needles, and Urban Decision Systems, Inc.

Historic and Current Population

The U. S. Census estimated a population of 4,120 in Needles in 1980, which grew to 6,004 in 1990, an increase of 46%. The population as of January 1, 1995 was estimated by the California Department of Finance to be 5,862 persons. The Department estimates show a decline in family size, as indicated by declining enrollment in the public schools in the City, as the primary reason for this downward revision of the population.

The number of households increased from 1,560 in 1980 to 1,991 in 1990, a 27.6% increase. In 1995, the Department of Finance estimates a total of 2,206 households, a 10.8% increase in five years. It is estimated that the number of households will continue to increase to 2,442 by 2001.

Population by Age Group and Ethnicity

The median age in Needles as of 1990 was 34.6 years. Table 3 presents the number of persons in various age ranges and the percent of total population for each group.

Table 3
Age Distribution of Needles-1990

Age	Number	% of Total
0-5	412	7.9%
6-17	1,123	21.6%
18-20	182	3.5%
21-24	203	3.9%
25-44	1,392	26.8%
45-54	530	10.2%
55-64	490	9.4%
65-74	514	9.9%
75-84	299	5.8%
85+	46	1.0%
Total	**5,191**	**100%**

Source: 1990 U.S. Census of Population and Housing

These numbers show that in 1990, dependent children made up approximately 21.6% of the total population, and adults between the ages of 25 and 54 comprised 37.0% of the population. The majority of the City's population, therefore, is comprised of young families. The Census also identified 587 senior-headed households in 1990, of which 419 were owner households and 168 were renter households.

Ethnic Characteristics

The City of Needles is primarily a caucasian community. Although the number of minorities has increased over the past few years, it is projected that the White population will continue to make up over 80% of the City's total population. The following two tables illustrate the current and projected number and percentage of each ethnic group in the City of Needles.

Table 4
Ethnic Characteristics: Distribution

Race	1990 No./%	1995 No./%
White	4,262/82%	4,338/81%
Black	63/1%	91/2%
Asian/ Pacific Islander	85/2%	105/2%
American Indian	341/7%	329/6%
Other	440/9%	470/9%
Hispanic Origin	887/17%	964/18%

Source: Demographic Trends for the Needles City Limits, the 1990 U.S. Census of Population and Housing.
Note: Persons of Hispanic Origin are listed in both White and Hispanic calculations in the Census.

Household Size

In the City of Needles, the average household size was estimated in 1980 at 2.64 persons. As mentioned above, household size has decreased slightly in the City, reaching 2.61 persons by 1990, and estimated to be 2.598 in 1995[1]. However, these numbers are comparatively low, as in 1990, the state of California's average household size was 2.8 persons, a larger number than that projected for 1995 in the City of Needles, thereby emphasizing the rural character of the community.

The City of Needles, with an average age of 34.6 in 1990, is close to the state average for 1990 which is 33.2 years of age[2]. Additionally, it has been projected, based on the 1990 Census, that the median age for the Needles area will have increased to 34.9 years of age by 1995, and 35.6 by the year 2000, showing that the City's traditionally young-family oriented population is aging as the rest of the nation.

Per Capita and Median Household Incomes

The median household income in the Needles area has increased from $16,478.00 in 1980, to $21,009.00 in 1990[3], an average annual increase of 4%. This increase demonstrates the slow growth in the area, particularly since the median household income for 1990 was still considerably lower than that of San Bernardino County and the State of California, which were estimated to be $36,500 and $39,598, respectively. The following table shows the household income distribution for Needles in 1990.

1 California Department of Finance estimates, January 1995.

2 U. S. Census of Population and Housing, 1990.

3 U. S. Census of Population and Housing, 1980 and 1990.

Table 5
Income Distribution by Household-1990

Income	No. of Households
$0-$4,999	91
$5,000-$9,999	417
$10,000-$14,999	198
$15,000-$24,999	422
$25,000-$34,999	244
$35,000-$49,999	278
$50,000-$74,999	207
$75,000-$99,999	111
$100,000-$149,999	19
$150,000+	14
Total:	**2,001**

Source:1990 U.S. Census of Population and Housing.

Employment

Employment in the City of Needles in 1995 is similar to that of 1990. Table 6, below, shows employment by industry for 1990, 1995 and the year 2000. Of the population over the age of 16, a total of 3,812 in 1990, 1,822 or 48% were employed[4]. A similar pattern is expected in the future.

The slow rate of growth experienced in the City is reflected in a relatively low rate of growth in all sectors of employment. The unemployment rate, which stood at 5.9% in 1990, is expected to increase to 6.3% by the year 2000[5]. Table 7 identifies the City's largest employers.

4 U. S. Census of Population and Housing, 1980 and 1990. Urban Decision Systems, Labor Force Trends, 1990-1995-2000, November 1995.

5 Urban Decision Systems, Labor Force Trends, 1990-1995-2000, November 1995.

Table 6
Employment by Industry-1990

Industry	Number of persons employed 1990	1996	2000
Agriculture, Fishing & Forestry	40	37	35
Mining	0	0	0
Manufacturing: Durable Goods	8	26	41
Manufacturing: Non-Durable Goods	26	32	36
Transportation	210	213	220
Communications	82	72	63
Wholesale Trade	43	47	51
Retail Trade	430	432	443
Finance/R.E./ Insurance	56	66	78
Business/Repair Services	86	98	114
Personal Services	62	63	64
Entertainment/Rec.	105	108	111
Health Services	168	185	211
Educational Services	173	179	191
Other Services	58	68	79
Public Administration	130	131	134

Source: Urban Decision Systems, Inc. Area Profile: Needles City Limits, Area Summary, November, 1995 based on the 1990 Census.

Table 7
Top Employers in the City of Needles 1993

Business	Estimated # of Employees
Santa Fe Railroad	600
Needles Unified School District	200
J Street Enterprises	110
City of Needles	280
Basha's	60
Claypools	52
Southern California Gas Co.	40
Pacific Gas & Electric	31

Source: County of San Bernardino's Community Profiles, January 1993, Department of Economic and Community Development, Economic Development Division.

Housing Characteristics

The following section addresses the conditions, characteristics, values, and vacancy rates of housing units within the City. It also examines overcrowded housing conditions as well as the existing and future need for affordable housing. Table 8 shows the characteristics of the City's housing stock in terms of number of units per structure, based on 1990 Census data.

Table 8
Housing Characteristics in Needles
for 1990 and 1995

Units in Structure	1990 Number	1995 Number	1990 % Total	1995 % Total
Single Unit, attached or detached	1,375	1,469	59%	59%
Two to Four Units	251	267	11%	11%
Five or more units	233	277	10%	11%
Mobile Home, Trailer	478	471	20%	19%
Total	**2,337**	**2,484**	**100%**	**100%**

1990 Data Source: 1990 U.S. Census of Population and Housing
1995 Data Source: California Department of Finance, Demographic Research Unit

In the five years since the 1990 Census, the overall number of dwelling units increased by 147 units. The predominant type of dwelling unit remains single-family, making up almost sixty percent of the units, with multi-family complexes and mobile homes divided equally to provide the balance of the housing stock.

Vacancy Rate

The City of Needles experiences a relatively high vacancy rate due to visitors who own seasonal homes. In 1990, the total vacancy rate was estimated at 14.8%, of which 4% can be attributed to these seasonal homes. The city had a net vacancy rate, therefore, of 10.8% in 1990.

In 1990, the California State vacancy rate was 7.2%. San Bernardino County's vacancy rate stood at 12.98% in 1992. The City vacancy is therefore consistent with that of San Bernardino County.

Condition of Housing Stock

As a part of the preparation of the City of Needles Housing Element, a Housing Survey was conducted by City staff to determine the quality of the housing stock in the City. Housing was rated on a scale of 1 to 5, with the following definitions being applied to each numerical category:

1 Very Good Condition, no maintenance necessary
2 Good Condition, minor aesthetic maintenance necessary
3 Acceptable Condition, aesthetic and structural maintenance necessary
4 Poor Condition, major aesthetic and considerable structural maintenance necessary
5 Unacceptable Condition, considerable dilapidation; health and safety a concern

The table below illustrates the number of dwelling units in the City of Needles which fall in each of the categories outlined above.

Table 9
Condition of Housing Stock within the City Limits-1995

Unit Type	Category				
	1	2	3	4	5
Single Family Residences	319	540	323	68	19
Duplexes	4	14	40	2	2
Multi-Family Residences	0	223	159	6	3
Mobile Homes	20	180	102	10	1
Total	**343**	**957**	**624**	**86**	**25**

Source: 1995 Housing Survey, City of Needles Planning Department.

The survey found that the majority of the housing stock in the City is comprised of single family homes which are in good or very good condition. There are relatively few duplexes within the community, and the majority appear to be in good to acceptable condition. Of the multi-family units in the City, almost 98% are in good to acceptable condition. In general, the City's housing stock is structurally and aesthetically sound, with approximately 17% of the City's housing stock considered to be in very good condition, and only 5.5% in poor or unacceptable condition.

Age of Housing Stock

The 1990 U.S. Census estimated that 1,277 of the City's 2,337 units were constructed prior to 1970. This represents more than 54.6% of the City's housing stock at that time. Although 142 housing units have been constructed since 1990, the City is likely to experience a greater than average need for rehabilitation and replacement of older homes in the future. Table 10 below illustrates the age of the City's housing units.

Table 10
Age of Housing Stock-1990

Year Constructed	No. of Units
1989 to March of 1990	116
1985 to 1988	151
1980 to 1984	310
1970 to 1979	483
1960 to 1969	250
1950 to 1959	453
1940 to 1949	240
1939 or earlier	334
Total:	**2,337**

Source:1990 U.S. Census of Population and Housing.

Overcrowding

The State Department of Housing and Community Development (HCD) has set the standard of 1.01 persons per room as the criteria for defining "overcrowded" housing conditions. As a characteristic of existing housing utilization, overcrowding is one of the specifically identified issues that must be addressed in the Housing Element. High rents and home prices limit low income persons from obtaining homes with adequate space and/or bedrooms. This data assists in the estimation of affordable housing need in the community. The following table presents a range of persons per room per occupied housing unit in the City of Needles.

Table 11
Overcrowded Housing Units-1990

Persons Per Room	Housing Units
.50 or Less	1,192
.51 to 1.00	650
1.01 to 1.50	79
1.51 to 2.00	44
2.01 or More	26
Total Overcrowded Occupied Units	**149**

Source: 1990 U.S. Census of Population and Housing.

As shown in the table above, there were a total of 149 housing units within the City which met the HCD criteria for "overcrowded" conditions at the time of the 1990 Census, representing approximately 7.5% of the total occupied housing units.

Housing Values

As of 1990, in the City of Needles, 59.3% of the 779 owner-occupied homes were valued between $50,000 and $99,999. The median (the figure exactly in the middle of a series of numbers) housing value was $62,900.00. The following table summarizes housing values for the City of Needles in 1990.

Table 12
Values, Specified Owner-Occupied Housing Units-1990

Value	Number	Percent
$0 to $49,999	224	28.8%
$50,000 to $99,999	462	59.3%
$100,000 to $149,999	50	6.4%
$150,000 to $199,999	19	2.4%
$200,000 to $299,999	14	1.8%
$300,000 or more	10	1.3%
Total	**779**	**100%**

Source: 1990 U.S. Census of Population and Housing.

This table demonstrates that the City of Needles offers housing at a very affordable rate. While not all of these homes would be considered affordable, 68.1% fall under $75,000, which is considered to be very affordable and represents more than half of the community's housing stock (Please see Affordable Housing discussion). Most of the remainder of the homes fall under the $200,000 price range, with 3.1% valued over $200,000. These statistics illustrate the affordability of the City, and its need for higher range housing.

Land Inventory

Table 13, below illustrates the amount of vacant residential land available within one mile of existing services, including water, electricity, sewer and natural gas, and the maximum number of units which could be constructed on this land.

Table 13
Vacant Residentially Zoned Lands, Including Acreage and Total Potential Units-1993

Zoning Designation	Acreage	Total Potential Dwelling Units
R-1 (1 to 7 units per acre)	274.27	1,920
R-2 (8 to 17 units per acre)	2.03	35
R-3 (18 to 30 units per acre)	32.08	962
CRR (varies, 1 to 30 units per acre)	76.61	2,298
Total	**384.99**	**5,215**

Source: City of Needles Planning Department, 1995.

With a total of 384.99 vacant urbanized acres which have a potential buildout of 5,215 units, the City of Needles offers the opportunity for a variety of housing types and developments. The majority of the housing units will be built within three designations, R-1, R-3 and CRR, which allow from one to thirty dwelling units per acre. These designations will include a mixture of single family housing, multi-family housing projects, both affordable and market rate, senior housing projects, and mixed uses which will allow for varied types of development within the community.

With these General Plan designations, the rural character of the City of Needles can be preserved while allowing for the development of housing to meet the City's fair share of the regional housing need.

The quantified objectives, provided on page 35 of this Element, call for the construction of a minimum of 148 units by 2001. Of these, 84 are to be low or very low income units. It is evident that the wide range of zoned lands will accommodate the City's five year housing needs. The higher density designations are adequate to provide for additional affordable multi-family developments and additional senior housing projects which are necessary and desired within the community.

EXISTING AFFORDABLE HOUSING PROGRAMS

It is the responsibility of the City of Needles to assure the provision of a broad mix of housing types, including and especially for the socio-economically disadvantaged. In order to implement affordable housing goals set forth in this Housing Element, the following housing programs are available:

Housing Programs

A housing stock survey of the City conducted by City staff in the 4th quarter of 1995 assessed the structural condition of all residential units (Please see Table 9, page 11 for a more detailed discussion). In the City of Needles, 1.2% of the total housing stock was considered to be in unacceptable condition, with only 4.3% considered to be in poor condition. Therefore, over 94% of the total housing stock was considered to be in acceptable condition or better.

There are numerous programs available to encourage maintenance and rehabilitation of substandard units, to provide rental assistance and to encourage the construction of new affordable housing. The following programs are available in the City of Needles.

Home Improvement Loan Program is administered by the San Bernardino County Department of Economic and Community Development, and provides rehabilitation loans to home owners at or below market interest rates. Any low or very-low income owner-occupant of a single family residence, who has resided in the property for one year or longer, is eligible and can borrow from $1,000 to $45,000 based on need and ability to repay the loan over a period of up to 20 years.

Home Repair Program is administered by the San Bernardino County Department of Economic and Community Development, and provides repair grants to home owners over 60 years of age or persons of any age who are permanently disabled. Any low or very-low income owner-occupant of a single family residence or mobile home who has resided in the property for one year or longer is eligible. Money is provided through HUD Community Development Block Grant funds for leaking faucets, water heater replacement, construction of wheelchair ramps, grab bars for the handicapped and other minor repairs.

Multi-family Mortgage Revenue Bond Program is administered by the San Bernardino County Department of Economic and Community Development, and funds are provided by the State. The program provides below-market interest rate loans for development of new multi-family rental units with a minimum of thirty units. At least 40% of the units must be reserved for households with incomes at or below 60% of the County Median, and 20% of the units must be reserved for households with incomes at or below 50% of the County Median. Participants in this program can be individuals, partnerships, profit and nonprofit corporations, and loans will be amortized over 30 year terms and due in 12 to 15 years.

Rental Property Rehabilitation Assistance is administered by the San Bernardino County Department of Economic and Community Development for eligible activities under Federal regulations for the Home Investment Partnerships (HOME) Program. Financial assistance can be provided to rehabilitate single family and multi-family rental units that are or will be occupied by low income or very-low income families. Assistance is offered from $1,000 to $25,000 per rental unit, based on the rehabilitation needs of the project. Monies can be used for essential improvements of a nonluxury nature to correct substandard conditions, make the property decent, safe and sanitary, and to retrofit the property to provide handicapped access.

Section 8 Housing Assistance: The City of Needles provides HUD Section 8 rental assistance to lower income renters within the City through the San Bernardino County Housing Authority. The Housing Authority currently subsidizes 20 units in the City through vouchers and Section 8 certificates. In addition, both Riverview Terrace and Lillyhill Apartments participate in the Section 8 program.

Fair Housing Programs: The Federal Fair Housing Act requires the City of Needles to provide a wide range of services for City residents. These services are designed to implement federal and state fair housing policies and procedures and to provide information concerning minority rights under existing fair housing laws.

Redevelopment Agency Programs: California Redevelopment Law mandates that 20% of each Redevelopment Area's Tax Increment Financing be allocated, or set-aside, for the development and rehabilitation of low and moderate income housing. State Guidelines determine what qualifies as low and moderate income housing, and can generally be described as housing which, in exchange for favorable financing or other assistance, is available only to qualifying households. In some cases, only a portion of the project must be occupied by low and moderate income families. In others, all units are restricted to low and moderate income households. The City has established a Home Repair Program, which allows low and very low income households to obtain up to $3,000.00 per household in matching funds to rehabilitate their property.

Farmers Home Administration has several programs available for both single family and multi-family residences within the community. FmHA makes loans and grants to provide rural residents with decent, safe and sanitary homes. Eligibility is based on adjusted household income, with low interest loans available to low income and very-low income applicants. An individual, organization or group organizing to provide housing may apply for a loan through the local FmHA District Director serving the area where the housing will be located. The City of Needles is served by the FmHA State office, located in Moreno Valley. The following programs are offered in the Needles area:

Home Ownership Loans are made to families or individuals who are without adequate housing and who are unable to obtain loans from private lenders at reasonable rates. Loans may be used to buy, build, improve, repair or rehabilitate rural homes, including manufactured homes. Loans can be made for 100 percent of the value of the property as appraised by FmHA. Normally, the maximum repayment term is 33 years.

Home Improvement and Repair Loans are made to bring substandard houses up to agency development standards. Loans of no more than $10,000 may be repaid in up to 25 years.

Conditional Commitments for rural housing are assurances to builders or sellers that FmHA will make loans to qualified applicants if the homes offered meet FmHA standards.

Very-Low Income Repair Loans are made for repairs to make houses safe and to remove health hazards. Loan limit is $15,000, with a maximum repayment term of 20 years, and interest rate of 1%. Grants or loan-grant combinations are available to help very-low income elderly homeowners make necessary repairs to their homes. Grants may not exceed $5,000 with a 20 year repayment period at a 1% interest rate.

Mutual Self-Help Housing Loans are made to a group of families who wish to work together to build their own homes. Loans are made on an individual basis, but the group must agree to work together until all houses are completed.

Technical Assistance Grants for Self Help Housing are available for public or private non-profit groups. Applicants must show a need for self-help housing, the professional expertise to supervise a project, and a lack of funding for this assistance.

Housing Site Loans may be made to public or local nonprofit groups for housing sites, including self help housing. Funds are for land, access streets and utilities, and have a repayment period of two years.

Rural Rental Housing Loans are made to finance apartment style housing, or to purchase and rehabilitate existing rental housing. Loans can be made to individuals, public agencies, cooperatives, and profit and nonprofit corporations. Except for public agencies, applicants must be able to provide moderate-cost rental units with other financing. Loans are repayable in up to 50 years with interest reductions in some cases.

Congregate Housing Loans offer persons 62 years of age and older, and handicapped persons semi-independent living quarters which may include central dining facilities, some housekeeping help, and other centralized services.

Farm Labor Housing Loans and Grants finance rental units for domestic farm laborers with an interest rate of 1%. Although farm laborers are scarce in the City of Needles, grants of up to 90% are available for public or broadly based nonprofit organizations when the group cannot afford loan payments but has initial operating capital and income to manage the facility.

Rental Assistance payments are made to owners of FmHA financed rental projects to reduce the rents (including utilities) paid by low income tenants to no more than 30% of their incomes.

Affordable Housing Projects

In the City of Needles, there are several multi-family projects which are currently subsidized by either County or State agencies for low and very-low income residents. Tenants wishing to lease affordable units must be in "very low" or "low" income categories based on the County median household income, which are defined by persons per household:

Table 14
Low or Very Low Income Levels
For Affordable Housing Eligibility

Per/Household	Very Low	Low
1	$14,800	$23,700
2	$16,900	$27,050
3	$19,050	$30,450
4	$21,150	$33,850
5	$22,850	$36,550
6	$24,550	$39,250
7	$26,250	$41,950
8	$27,900	$44,650

Source: California Department of Housing and Community Development, Income Limits for Riverside & San Bernardino County, 1994.

The following projects are considered to be affordable in the City of Needles:

Coronado Court Apartments provides 22 one and two bedroom apartments. Rental rates are based on a maximum of 30% of the household's adjusted annual income, pursuant to the standards established by the Farmer's Home HUD program.

Lillyhill Apartments, as stated earlier, participates in the HUD Section 8 program, and provides 52 one, two and three bedroom units, with rents based on a maximum of 30% of the household's adjusted annual income. The project was constructed under a Farmer's Home 515 program, with an earliest prepayment date of March, 1992.

Mesa Grande Apartments provides a total of 46 one bedroom units, and allows both subsidized and market rate tenants. The project participates in the Farmer's Home HUD program, limiting rents to 30% of a household's adjusted annual income.

Riverview Terrace is comprised of 60 one and two bedroom units, and participate in the Farmer's Home HUD program.

The San Bernardino County Housing Authority owns 25 duplexes, for a total of

50 units. These units are available to low income households only. Rent at these complexes is established at 30% of the gross monthly household income of the tenant.

Farmers Home Administration (FmHA): In addition to the above mentioned multi-family projects, FmHA subsidizes 2 single family homes in Needles. Very-low and low income rural families pay reduced monthly mortgages, with an adjusted income ceiling determined by household size.

Federal Low Income Rental Assistance (Section 8) The Housing Authority has 20 program participants in the City of Needles. Monthly rent is not to exceed 30% of the household's adjusted gross monthly income. This Rental Voucher Program provides assistance to targeted income groups.

CONSTRAINTS TO THE PROVISION OF AFFORDABLE HOUSING

The City of Needles recognizes the need to ensure that there is adequate housing which is affordable to all income groups. There are a number of constraints in any jurisdiction which can impede achievement of this goal. These potential constraints, and whether they are an issue in Needles, are discussed below.

Economic Constraints

Extensive development of vacant land throughout Southern California in the past decade has led to an increased demand for land, which resulted in a rapid rise in land values and consequently higher housing costs. However, land values in Needles have remained relatively affordable in comparison to most other areas of Southern California.

Land Costs

According to recent listings of vacant residential property in Needles, prices for lots and home sites range from approximately $12,000 to $19,000. Listings for older existing homes average $40,000.00 to $50,000.00, while newly constructed three bedroom, two bath homes average $100,000.00

Although the City has little control over market demands and thus cannot determine the price of land, City land use policies which regulate the allowable densities of residential uses can influence the ultimate cost of the dwelling unit.The City's zoning ordinance standards also influence the ultimate cost of constructing a home. Land use policies and Zoning Ordinance standards are further discussed under "General Plan Constraints and Zoning Constraints."

Construction Costs

Labor and material costs are major areas other than land costs, which have a direct impact on the cost of housing. Single-family dwelling construction costs can vary greatly depending on the size of the unit and whether it is a custom home or part of a large subdivision. At the present time, the cost of labor and materials is not a hindrance to the production of relatively low-cost housing in the City. With the median value of a house estimated at $62,900.00 in 1990, the cost of construction is relatively low in the City. Significant increases in these costs, which the City has no direct control over, can directly affect the affordability of housing.

Financing

Financing costs can impact the ability of potential home buyers to make a purchase. Interest rates are relatively low at the present time (7% to 10%) but fluctuations can significantly impact the affordability of homes.

Governmental Constraints

The permit process can have a significant impact on the timely and cost-effective production of new housing. Lengthy review periods and excessive development fees can discourage new construction. The time required to process residential development varies according to the scope of the proposal. The City's review of building plans is expeditious and not unduly burdensome. Plans can be reviewed and building permits issued in less than two weeks.

In the case of multi-family projects and subdivisions, which require further environmental documentation, the application processing will take approximately two to four months, depending on the extent of environmental analysis required. The following ministerial actions must be approved by both the City Council and Planning Commission and are subject to CEQA mandated timelines, but can generally be completed within four months: Mobile Home Park Conditional Use Permits, Specific Plans, Planned Residential Developments, Zone Changes, General Plan Amendments, and Environmental Impact Report certification.

Application Fees

Application fees vary depending on the type of permit required, as displayed in Table 15, below. The City's fees are relatively low, and do not pose a constraint to residential development.

Table 15
City of Needles Application Fees

Application Type	Fee Amount
Conditional Use Permit	$350.00
Variance	$350.00
Zone Change	$350.00
Environmental Review	$250.00
Site Plan Review	$150.00
Planning Commission Appeal	$100.00
Certificate of Compliance	$200.00
Lot Line Adjustment or Parcel Merger	$200.00
Parcel Map	$250.00
Tentative Subdivision Map	$375.00
Final Map	$200.00

Source: City of Needles Fee Schedule, October 1995

The City Council has the option to waive fees under certain circumstances, if the fee would be a hardship, or as an incentive for development.

General Plan Constraints

The General Plan for the City of Needles establishes a basis for allowable uses and densities for each residential zone. There are over 384.99 acres of land which are presently zoned for residential uses adjacent to municipal services, with a potential for 5,215 dwelling units. There are currently three residential land use designations and one mixed use designation in the City of Needles General Plan to accommodate a wide variety of housing types. With densities of one to thirty units per acre, the General Plan Land Use designations are not a constraint on development.

In addition, the General Plan includes policies which encourage infill development prior to expansion of the City into non-urbanized lands, and provides for economic incentives for such infill development. Other policies of the Plan support on-going rehabilitation and preservation of existing neighborhoods and mobile home parks.

Zoning Constraints

As discussed previously, the three residential zones in the City directly parallel the City's land use designations, do not involve overly restrictive residential development standards, and provide substantial opportunities for the development of a full range of affordable housing. The City's Zoning Ordinance also includes provisions for increases in density for affordable and senior projects. The code states:

"When affordable housing is included within a residential development in a residential zone, the dwelling unit density shall not exceed a density determined by increasing the density otherwise allowed by the same percentage as the percentage of affordable housing units in the development. For elderly housing, the maximum such bonus is 100 percent. For other housing, the maximum such bonus is 25 percent."

The Zoning Ordinance provides for the following development standards:

Table 16
Existing Residential Development Standards

Standard	R-1	R-2	R-3	CRR
Density	1-7	8-17	18-30	1-30
Lot Area	7,500	3,000	1,450	1,000
Lot Width	60'	100'	100'	100'
Lot Depth	n/a	n/a	n/a	n/a
Front Setback	25'	15'	15'	15'
Side Setback	5'	5'	5'	5'
Rear Setback	25'	10'	10'	10'
Lot Coverage	n/a	n/a	n/a	n/a
Height	35'	35'	35'	35'
Parking	2	1.5-2	1.5-2	1.5-2

Architectural and Design Standards

The City of Needles utilizes the site plan review process set forth in the City's Zoning Ordinance. These design review guidelines regulate height, bulk and area of buildings; colors and types of buildings and other structures; physical and architectural relations with existing and proposed structures; height, materials, variations in boundary walls, fences or screening planting, landscaping, open space requirements, and parking standards.

The site plan review requirements are processed concurrently with subdivision or other permit requirements, and do not add to the processing time for an application.

Code Enforcement

The Code Enforcement process is an area of regulation which has the potential to result in the loss of affordable units. However, it is also an important tool which can be used to require landlords to maintain rental units in habitable condition. The Needles Code Enforcement Officer enforces the Uniform Building Code (UBC) of the State of California to ensure that new construction is safe for the occupants, and is properly maintained.

Code enforcement for structural deficiencies or maintenance problems is processed as follows: A notice of violation is sent to the property owner, giving 7 days to repair the violation. If the repairs are not undertaken, an administrative citation can be issued, followed by an administrative hearing before the Planning Commission. If Code Enforcement is successful at the hearing, the Code Enforcement department obtains a warrant to either repair or demolish the structure (based on the extent of the violation and public safety). If the City undertakes the repair, the property owner is billed for the work. Should the bill be unpaid, the City liens the property. Alternatively, the City Council may determine that the structure or violation is a public nuisance. These requirements provide a property owner with every opportunity to correct a health and safety problem, and are not overly restrictive. The City has an on-going abatement program, funded through the Redevelopment Agency, to improve the living and working conditions within the City's Redevelopment Area.

Subdivision Improvement Requirements

All subdivisions in the City of Needles must conform to the requirements of the Zoning Ordinance, Subdivision Ordinance, the State Subdivision Map Act, and applicable Conditions of Approval for the project. Density bonuses will allow for smaller lots or higher densities in certain instances. The Zoning Ordinance also includes specific standards for improvements to public streets, including curb and gutter requirements, wheelchair ramps, and line of sight requirements. Each subdivision is reviewed individually, and improvement standards vary based on the size of the street the project locates on, and existing improvements. Generally, however, new projects must construct the half width of the street, as well as curb and gutter.

Physical Constraints

Maintenance of Housing Stock

According to the 1990 Census, there were 1,027 dwelling units built before 1960. This represents approximately 43.9% of the total housing stock in the City which was 2,337 units according to the 1990 Census. Older structures tend to deteriorate if not properly maintained. A total of 111 units in the City were found to be in need of major structural repairs. There are a number of programs available to assist homeowners and those who own rental units. These have been discussed on pages 15 through 17 of this Element.

Infrastructure

Infrastructure constraints to achieving housing goals are those which prevent development due to lack of adequate water, sewer lines or appropriate soils for septic tanks, electricity, and other essential public utilities and services. The City has, in the past, provided developers with the extension of services in order to facilitate development, particularly for senior or affordable housing projects. In addition, the City in 1994 utilized the proceeds from a bond issue to replace and improve water, sewer and road systems in the oldest part of the community -- the downtown core. This area houses a significant number of lower income households.

Environmental Constraints

Flooding

The City of Needles is subject to flooding from two potential sources: flash floods in the naturally occurring and man-made drainage channels which carry water from the hills to the south of the City, and divert it away from the City core; and inundation caused by the Colorado River. The City is not regularly subject to such occurrences, but has planned for 100 year flood events through channel improvements and cooperation with other agencies in improvements to the Colorado River channel. In a severe storm or flooding event on the Colorado, the City's river-front property is likely to experience considerable damage caused by scouring of the river's banks. Similar hazards are likely in the drainage system.

HOUSING NEEDS

Special Housing Needs

In addition to providing for the housing needs of all income categories, there are a number of households with special housing needs which the City must address. These needs are discussed below, categorically.

Single Parent Households

In general, single persons with dependent children need housing that is affordable as well as close to schools and daycare facilities. According to the 1990 Census there were 383 single-parent households in the City of Needles, of which 84 were male headed households and 299 female headed households. Additionally, female headed single parent families tend to have a low rate of home ownership in comparison to other households and also tend to have lower household incomes.

Seniors

In 1995, it is estimated that a total of 866 persons were over the age 65 in the City, which was approximately 16% of the total population. Most seniors are on a fixed budget with many of them receiving their only income from Social Security benefits or pensions which are well below the County median household income. Therefore, housing affordability for seniors is an important issue. In addition to affordability needs, some seniors may need assistance with the maintenance and upkeep of their homes in order to continue living there. However, as seniors become less independent, they may have special housing needs such as congregate care or nursing facilities, which are not currently available in the City.

The City operates the Needles Regional Senior Center, which provides a number of services to the senior population, including a daily lunch, educational services and social events. The Parks and Recreation program also provides provides exercise and aquatic exercise classes regularly throughout each week.

The Mojave Elder Care Coalition provides transportation to an adult day care facility located in Bullhead City, Arizona on a regular basis. No such facility currently occurs in Needles.

Senior Housing

Senior housing facilities are generally age-segregated communities which are limited to persons over 55 years of age. This type of housing development usually provides recreational activities and other amenities and may be a part of a planned community or a smaller individual development. It can be marketed as an "upscale" retirement community or as a more affordable community.

In Needles, senior housing is not available in a single location. Seniors requiring affordable housing generally live in the Coronado Court, Lillyhill, Mesa Grande and Riverview Apartments. In addition, the City's mobile home parks provide affordable housing opportunities for seniors. There are eight mobile home parks with a total of 404 spaces within the City of Needles, two of which are restricted to seniors. Previously owned mobile homes within a park are only available at Verde Shores Residential Park, and range from approximately $22,000 to over $110,000 for larger models located on the Colorado River. Rent for mobile home spaces in the Needles area ranges from $100 to $300 per month. Table 25 on page 34 illustrates the number of occupied and vacant spaces, the monthly space rental amount, and whether the park is restricted to seniors only.

Congregate Care

Congregate housing is the contemporary version of the boarding house. It is long term housing in a group setting that includes independent living and sleeping accommodations in conjunction with shared dining and recreational facilities. These facilities usually have a centralized dining room and kitchen where at least one hot meal per day is provided. Other services may include maid service, security/emergency services, recreation rooms, nursing assistance, and beauty salons. Nursing homes are also considered a type of congregate care. As previously stated, no such facilities occur in the City of Needles. Both congregate care and nursing home facilities are available in Bullhead City, Arizona.

Disabled

The 1990 U. S. Census identified 222 persons in Needles with a mobility or self-care limitation, and 483 persons with a work disability. There is no housing project in Needles currently tailored specifically to the needs of the disabled.

The Americans with Disabilities Act requires that all new multi-family construction include a portion of units accessible to the handicapped. The Building and Safety Department in the City of Needles requires compliance with these measures as part of the Building Permit review, issuance and inspection process.

Large Households

The 1990 Census indicates that there were 233 households in Needles with five or more members, of which 114 were in owner-occupied housing units, and 119 were in renter-occupied housing units. Large families such as these have a special need for three, four, or more bedroom units. As of the 1990 Census, there were approximately 856 units in the City with three or more bedrooms, representing 36.6% of the housing stock.

Homeless

Although it is difficult to quantify the number of homeless within each community, as they tend to be mobile, often moving from one City or County to another, it has been estimated that there are thirty-two homeless persons in Needles[6].

The Southern California Association of Governments (SCAG) and the San Bernardino Homeless Coalition have identified several factors in the increase in homeless persons throughout the region. These factors include:

(1) The de-institutionalization and treatment of mentally ill patients;
(2) The shortage of affordable housing;
(3) A lack of employment opportunities;
(4) Negative family environments.
(5) Drug and Alcohol Abuse

There are no shelters or residential facilities for the homeless in Needles at this time. The Salvation Army in Bullhead City, Arizona, can, in response to a need of the Fire or Police Departments in Needles, make arrangements for hotel/motel accommodations.

Inland Aids Project

The Inland Aids Project (IAP) provides services to HIV-positive individuals who reside in the Needles area. Although actual numbers of AIDS patients are not known, a spokesperson for IAP confirmed that they do have clients in the Needles area. IAP clients currently travel to Victorville for social services and the City of San Bernardino for treatment at the County Health Department offices.

Drug and Alcohol Rehabilitation

The Community Hospital and School District offer follow-up counseling for drug and alcohol abuse patients who have been to a residential treatment center elsewhere (the closest facility is in Bullhead City, Arizona). The Hospital operates a Hill-Burton facility which provides free services to patients who cannot afford to pay for services.

Farmworkers

Since there is no major agricultural activity within or near Needles, there is no special need for farmworker housing.

6 U. S. Census of Population and Housing, 1990.

PRESERVATION OF ASSISTED UNITS

The purpose of this section is to provide an analysis of existing assisted housing developments that are vulnerable to change to non-affordable housing during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions. Assisted housing includes state and local multi-family bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees.

Inventory of Units at Risk

Expiration of affordability restrictions on housing development can occur for a number of reasons. It can result from early redemption of housing revenue bonds, thereby removing income restrictions or other similar mechanisms. Other reasons for eliminating income restrictions include loss of tax shelter benefits for owners of affordable projects due to changes in the federal tax structure, although the Low Income Housing Tax Credit was made permanent by the U.S. Congress in 1993. Finally, owners of projects with a Section 8 contract generally have an eligible "opt-out" date when they may choose not to renew the Section 8 contract.

The affordable multi-family projects in the City of Needles include the following:

Table 17
Assisted Units in the City of Needles

Apartment/Agency	Address	# of Units
Coronado Court Apartments	1017 Coronado	22
Lillyhill Apartments	1001 Lillyhill Drive	52
Mesa Grande Apartments	1600 Lillyhill Drive	46
Riverview Terrace	1933 Erin Drive	60
County Housing Auth.		50
FmHA		2
Section 8		20
Total		**252**

Comprehensive discussions with managers of these units, and representatives from FmHA and the San Bernardino County Department of Housing and Community Development indicate that all affordable housing project managers are willing to continue to participate in their existing programs. None of the projects can be converted to non-low income projects prior to 2008.

Cost Analysis

Section 65583 (a)(8)(B) of the State Housing Element Law specifies that the analysis of assisted units shall include an estimate of the total cost of producing new rental housing which is comparable in size and rent levels to an existing affordable project, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments.

Construction costs in the Needles area for a multi-family project are estimated at approximately $50.00 per square foot. A project consisting of 12 two-bedroom units of approximately 950 square feet each has been estimated to cost:

Table 18
Multi-Family Apartment Construction Costs

950 square foot unit X 12 units (two bedroom) =		11,400 SF
1.	Construction Cost: 11,400 SF X $50	$ 570,000
2.	Architecture/Engineering	50,000
3.	Land Cost -2.0 acres, $35,000 per acre	$ 70,000
4.	Contingency-20%	$ 138,000
Total Cost		$828,000

A similar analysis was performed to determine the costs for single family residences within the City, using the price of $15,000 per lot.

Table 19
Single Family Residence, 1,300 s.f.

1.	Construction Cost:1,300 SF X $50	$65,000
2.	Architecture/Engineering (1.5% of construction cost)	$975
3.	Land Cost	$ 15,000
4.	Contingency-10%	$8,000
Total Construction Cost		$88,975

Preservation of Assisted Units

State Housing Element Law also specifies that the assisted housing analysis shall identify the cost of preserving the existing assisted housing and whether it would be higher or lower than the estimated cost of new construction.

At risk units could potentially be purchased by the San Bernardino County Housing Authority or a private non-profit housing corporation. However, since the current property owners have stated that they do not intend to put the property up for sale, no agencies have been contacted as to their interest in acquiring and managing the project. The following programs are available in Needles to provide assistance to affordable housing projects.

Multi-family Mortgage Revenue Bond Program: This program is administered by the San Bernardino County Department of Economic and Community Development, and funds are provided by the State. The program provides below-market interest rate loans for development of new multi-family rental units with a minimum of thirty units. At least 40% of the units must be reserved for households with incomes at or below 60% of the County Median, and 20% of the units must be reserved for households with incomes at or below 50% of the County Median. Participants in this program can be individuals, partnerships, profit and nonprofit corporations, and loans will be amortized over 30 year terms and due in 12 to 15 years.

Redevelopment Agency Programs: California Redevelopment Law mandates that 20% of each Redevelopment Area's Tax Increment Financing be allocated, or set-aside, for the development and rehabilitation of low and moderate income housing. State Guidelines determine what qualifies as low and moderate income housing, and can generally be described as housing which, in exchange for favorable financing or other assistance, is available only to qualifying households. In some cases, only a portion of the project must be occupied by low and moderate income families. In others, all units are restricted to low and moderate income households.

State law authorizes the use of redevelopment funds to make sites available for the construction of new housing, to provide subsidies for affordable housing, and to aid in the preservation and upgrading of residential areas.

In addition to providing funds for a wide range of local housing programs, redevelopment enables the City to issue bonds and otherwise finance housing construction and to acquire land for new housing. Redevelopment agencies also have imminent domain to acquire sites for housing, both within and outside of a project area. At least 6% of new or rehabilitated housing in a redevelopment project must be affordable to low income households; another nine percent must be affordable to moderate-income households.

Redevelopment has created significant new housing opportunities in areas where housing was not feasible because of site limitations, ownership, or market infeasibility. Redevelopment creates a potentially significant amount of locally controlled funds for the development of affordable housing. Furthermore, Redevelopment can target and assist in the provision of housing through site acquisition and assembly, financing, and property purchase and rehabilitation. All provisions of the City Redevelopment Plan will guide the City in types of programs available to the area.

The City's Redevelopment Agency, although small in revenue generated, had built up approximately $220,000 in set-aside housing funds prior to the 1995-96 fiscal year. Annually, the City's tax increment generates approximately $58,000.00 in revenue, which has been earmarked in the City's Implementation Plan for use for housing improvement programs and abatement of dangerous structures[7].

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7 Needles Redevelopment Agency, Five Year Implementation Plan, 1995-99.

State Housing Programs: The State Department of Housing and Community Development provides loans under the California Housing Rehabilitation Program. Under this program, HCD provides low-interest loans for the rehabilitation of rental housing including residential hotels. Loan limits range from $15,000 for rehabilitation of residential hotel units to $35,000 for 3 or more bedroom units. These loans are given only to maintain or convert to assisted units.

Existing Housing Needs

The most recently completed Regional Housing Needs Assessment (RHNA) was prepared by the Southern California Association of Governments (SCAG) in June 1988.

The 1990 Census data provides a breakdown of owner costs and rent paid in terms of household income, which are provided in the following table.

Table 20
Cost for Housing as a Percentage of Income-1990

Percentage	Owner Households	Renter Households
Less than 20%	564	244
20% to 24%	73	82
25% to 29%	65	159
30% to 34%	7	65
35% or more	0	263

Source: US Census Bureau's 1990 Census.

As shown in Table 20 above, as many as 335 households, in terms of SCAG standards, were overpaying for shelter in 1990. It can be assumed that the households with higher incomes were not in need of "affordable" housing and/or housing assistance and chose to pay the higher costs for luxury items, location, etc. However, the 1990 Census data also shows that of the 889 renter-occupied housing units, 666 (approximately 75%) were paying under $500 for rent. There were 88 households paying less than $200, 156 households paying over $500 per month for rent. A majority of households, approximately 75%, are paying less than $500 per month. The following Table represents the number of households in Needles which were paying more than 30% of their income for housing.

Table 21
Households Overpaying-1990

Households	Owner Households (#/%)	Renter Households (#/%)
Total Number overpaying	85	328
HH with income below County median overpaying	84	325

Source: US Census Bureau's 1990 Census.

Approximately 33% of the households in 1990 were comprised of two persons, with over 28% comprised of one person. Projections of current conditions reflect a similar situation, as depicted in the following Table.

Table 22
City of Needles Household Size 1995

# Persons	# Households	%
1 Person	611	29.5%
2 Persons	673	32.5%
3 to 4 Persons	568	27.5%
5 or more Persons	215	10.4%

Source: Projections from Urban Decision Systems, Inc. Area Profile: Needles City Limits, Area Summary, 1995 based on the US Census Bureau's 1990 Census, and the California Department of Finance, 5/93

This table can be compared to the following two tables, which present the income limits and rents by family size for the various income categories as defined by the State Department of Housing and Community Development (HCD) and based on the County median household income. The median family income for San Bernardino County for 1995 is $42,300.

Table 23
Affordable Housing, Income Limits
County of San Bernardino, 1995

# of Persons In Family	Annual Income Standards	
	Very Low	Low
1	$14,800	$23,700
2	$16,900	$27,050
3	$19,050	$30,450
4	$21,150	$33,850
5	$22,850	$36,550
6	$24,550	$39,250
7	$26,250	$41,950
8	$27,900	$44,650

Source: California Department of Housing and Community Development, Income Limits for San Bernardino County 1995

As shown, income limits for the various income standards range from $14,400 per year for a very low income household of one person to $44,650 per year for a low income household of eight persons. Based on the income limits shown in Table 22, above, the following table shows 30% of monthly rents for each household size and income type. Any rents paid which exceed these amounts (more than 30% of gross monthly income for rent) are considered "overpayment" households.

Table 24
Overpayment Limits
San Bernardino County, 1995

# of Persons In Family	Monthly Rent Limit	
	Very Low	Low
1	$370	$593
2	$422	$676
3	$476	$761
4	$529	$846
5	$571	$914
6	$614	$981
7	$656	$1,049
8	$698	$1,116

Source: Terra Nova Planning & Research, Inc.

The limit for housing overpayment ranges from $370 rent per month for a very low income household of one person, to $1,116 rent per month for a low income household of eight persons.

As stated previously, the majority of renters in the community are paying less than $500 per month, with rates ranging between the very-low and low income overpayment limits. Due to the fact that this overpayment criteria is directly related to the rental rates in a particular community, the following table offers a more specific example of rental rates for the larger market-rate apartment complexes in Needles.

Table 25
Representative Apartment Rental Rates in Needles for December 1993

Complex	Address	Units/ Bedrooms	Rate
Coronado Court*	1017 Coronado	4/1 18/2	$410 $495
Lillyhill Apartments	1001 Lillyhill Dr.	8/1 32/2 12/3	based on 30% of income
Mesa Grande Apts.*	1600 Lillyhill Dr.	45/1	$600
Riverview Terrace	1933 Erin Dr.	20/1 40/2	based on 30% of income
Mountain View Terr.	1501 Lillyhill Dr.	44/1 35/2 16/2	$395-405 $455-465 $490-500

Source: Personal conversations with property managers, 1995.
* Indicates subsidized, however rates provided are market rates and are reduced based on income.

The rental rates range from a low of $395 per month for a one bedroom/one-bath unit to a high of $500 for a two-bedroom/two-bath unit. In comparing the overpayment limits to the rental rates in Needles, most rental units available have monthly rents which are below the low income overpayment limits.

The majority of households are paying less than $500 per month, illustrating that the majority of apartments in Needles have rental rates below low income overpayment standards. Therefore, the estimate based strictly on Census overpayment data for 1990 is likely to be significantly higher than is actually the case.

Mobile Home Parks

In addition to the apartment complexes listed above, there are also a number of mobile

home parks within the City which have rental rates far below low income overpayment limits. Prices for previously owned mobile homes range in price from approximately $5,000 to over $110,000 for larger, luxury models which are not prevalent in the Needles area. Rent for mobile home spaces in Needles ranges from $100 to $300 per month. The following table illustrates the number of occupied and vacant lots, the monthly space rental amount, and whether the park is restricted to seniors only.

Table 26
Mobile Home Park Characteristics

Mobile Home Park	Occupied Spaces	Vacant Spaces	Rent/ Month	Seniors Only
Desert View MHP	14	30*	$225	No
Green Mansion MHP	93	0	$241	No
Verde Shores	82	0	$183-300	Yes
Rainbow Beach	65	0	$230-280	No
Calzon MHP	50	0	$100	No
Needles Marina	75	0	$250	Yes

Source: Personal conversations with all on-site managers, November 4, 1993.
*Park is not complete.

It is clear from this table that the majority of the City's mobile home parks are either senior housing opportunities and suppliers of affordable housing to the community. The continued viability of these parks, and the preservation of affordable housing for seniors, are mutually beneficial goals for the City to pursue.

The City also allows for the location of mobile homes on single family lots, and has a mobile home subdivision currently in existence.

Future Housing Needs

As discussed previously, the Regional Housing Needs Assessment (RHNA) prepared by the Southern California Association of Governments defines "existing need" as lower income households which are paying more than 30% of household income for shelter. According to these standards, it was estimated that 335 were overpaying for shelter. However, the majority of rental occupied households were paying less than $500 per month for rent; therefore, the estimated overpayment numbers are likely to be far higher than the actual number of total households overpaying for shelter. With the large amount of additional affordable housing in the area, and the additional approximately 100 mobile homes that are not located within existing parks, it is estimated that the City has provided sufficient affordable housing within the community.

The Southern California Association of Governments (SCAG) has determined future needs

by adding its projected growth to the number of units necessary to meet vacancy goals and to compensate for anticipated demolitions. The Future Needs Allocations are then distributed by four income categories: "very low" (less than 50% of the County median income), "low" (50-80%), "moderate" (80-120%), and "high" (120% or more of median County income).

SCAG has not been funded to complete the newest planning period. This Housing Element, however, has developed needs analysis based on the SCAG methodology, and using the preliminary growth projections provided to the City in late 1995. The housing needs for the period from 1996 through 2001 are provided below.

Table 27
Future Housing Needs by Income Category
1996-2001

Income Category	Number of Units
Very Low	53
Low	31
Moderate	21
High	43
Total	**148**

Source: Analysis conducted by Terra Nova Planning and Research based on Southern California Association of Governments RHNA methodologies and policies, August, 1994. Based on projected growth in the City of Needles, vacancy, and anticipated demolitions

The total estimated lower income household need for shelter is 84 dwelling units for 2001. The Moderate and High Income households are not considered to be affordable and are therefore not considered in the affordable housing needs assessment.

Table 27 shows the objectives for the number of housing units that should be constructed, rehabilitated and conserved by income category. The City has experienced a relatively high vacancy rate, 11.19% in 1995. Although difficult to quantify, it can be expected, due to the age of the housing stock, that some of the vacancies are due to deteriorated conditions. Further, the housing survey identified 111 units as requiring considerably structural or aesthetic repair. The Quantified Objectives matrix below, therefore, places particular emphasis on rehabilitation and conservation.

Table 28
Quantified Objectives Matrix (1996-2001)

Income Category	Very Low	Low	Moderate	High	Total
New Construction	53	31	21	43	**89**
Rehabilitation	20	12	6	0	**38**
Conservation	12	9	0	0	**21**

There are a number of programs available to assist homeowners and those who own rental units in rehabilitating and conserving their properties. These programs include:

* **The Senior Home Repair Program** administered by the San Bernardino County Department of Economic and Community Development, provides repair grants to home owners over 60 years of age or persons of any age who are permanently disabled, for leaking faucets, water heater replacement, construction of wheelchair ramps, grab bars for the handicapped and other minor repairs

* **The Home Improvement Loan Program** administered by the San Bernardino County Department of Economic and Community Development, provides rehabilitation loans to home owners at or below market interest rates

* **The California Housing Rehabilitation Program** provided by the State Department of Housing and Community Development, offers low-interest loans for the rehabilitation of rental housing including residential hotels. Loan limits range from $15,000 for rehabilitation of residential hotel units to $35,000 for 3 or more bedroom units. These loans are given only to maintain or convert to assisted units.

* **City Redevelopment Agency Program.** The City has established a Home Repair Program, which allows low and very low income households to obtain up to $3,000.00 per household in matching funds to rehabilitate their property. Projects can cover a number of areas, from roof repair to plumbing or electrical improvements.

Energy Conservation

With temperatures ranging from the low 40°s to above 100° in Needles, energy is in high demand for heating and cooling, making conservation measures an important issue. Various energy conservation methods are required by Title 24 of the California Administrative Code as well as the Uniform Building and Electrical Codes. The electric utility is City-owned, and is aggressively pursuing alternate sources from which to purchase power in order to control costs for City residents. In addition, the City has established a "Responsible Resource Home" program, which encourages the construction of energy efficient homes. Homes built under this program surpass Title 24 standards by 10 percent. Persons who purchase or build such a home can expect to reduce electric bills by up to 15%. The program also focuses on water conservation methods and technologies.

Efficient land use planning can also help to reduce energy consumption by locating new residential projects in close proximity to employment and commercial centers. Incorporation of mass transit stops and other measures to encourage alternate forms of transportation (i.e. bicycle lanes, locker and shower facilities in commercial projects) can also conserve energy and improve local air quality. Needles Area Transit (NAT) provides hourly transportation services in a single loop route throughout the City. In addition, NAT will deviate from the bus route and provide door-to-door service when possible for an additional fee.

PUBLIC PARTICIPATION

The City of Needles City Council held a public workshop on September 3, 1996, to discuss the issues in this Element and develop policies and programs. The publicly noticed workshop included considerable public participation from community members in attendance. Efforts were made, through advertising in the newspaper and community announcements, to involve all segments of the community. Public hearings before the City Council also included community outreach efforts and public relations.

GENERAL PLAN CONSISTENCY

California law requires that all elements of the General Plan, including the Housing Element, be consistent. The City periodically reviews both its Housing Element and other elements of the General Plan, and proposes General Plan Amendments, as allowed by law, when a change in one element would cause inconsistencies in others. This procedure will continue to be undertaken on a regular basis by the City.

HOUSING ELEMENT GOALS, POLICIES AND PROGRAMS

GOAL 1

Adequate housing in the City by location, type, price, and tenure, especially for those of low and moderate income and special needs households.

Policy 1.1

Promote the mixture of housing and commercial land-uses in downtown Needles to provide housing with access to commercial services for special needs households particularly elderly households and small business owners.

Program 1.1A

Funds to rehabilitate upper story units downtown should be sought including Redevelopment and Community Development Block Grant (CDBG) funds.
Target Date: 1997, on-going.
Responsible Agency: Redevelopment Agency

Program 1.1B

Maintain the Central Business District Regulations in the Zoning Ordinance which allows for combined residential and commercial uses with reduced parking requirements for housing uses.
Target Date: On-going.
Responsible Agency: Community Development Department

Program 1.1C

Make provisions for the development of homeless shelters and transitional housing as a conditional use in the Zoning Ordinance.
Target Date: 1998.
Responsible Agency: Community Development Department

Program 1.1D

Work with private organizations in assisting whenever possible in the housing of handicapped residents in the community.
Target Date: On-going.
Responsible Agency: Community Development Department

Policy 1.2

Provide information and incentives for the private sector and public agencies capable of producing or assisting in the production of housing contiguous to current development, particularly low and moderate income housing for special needs households.

Program 1.2A
Provide a "Housing Incentive Package" which describes for developers the types of incentives available, including land write downs, Mortgage Revenue Bonds, and/or the use of CDBG funds for the provision of necessary public facilities or design costs.
Target Date: 1997, On-going.
Responsible Agency: Community Development Department, Redevelopment Agency

Program 1.2B
The City shall keep on file a list of developable land within the City, updated annually.
Target Date: 1997, On-going.
Responsible Agency: Community Development Department

Program 1.2C
The City shall require an annual Community Reinvestment Act report from local banks. Efforts at equal opportunity housing loans should be documented.
Target Date: 1997, Annually.
Responsible Agency: Redevelopment Agency

Program 1.2D
The City shall evaluate the formation of a community development corporation to oversee housing production and rehabilitation efforts. Neighborhood Housing Services should be contacted for advisory services or be considered to become the community development corporation.
Target Date: 1998.
Responsible Agency: Community Development Agency, City Manager's Office, Redevelopment Agency

Program 1.2E
For developments which will restrict their units to very low, or low income households, the City shall allow a density bonus of 25% over the underlying zoning designation, pursuant to State law.
Target Date: 1997, On going.
Responsible Agency: Community Development Department

Policy 1.3
Encourage development of those areas to coincide with public services schedule.

Policy 1.4
Promote the provision of an adequate number of rental units that are affordable to low and moderate income households within the City.

Program 1.4A
The City shall maintain an inventory of rental units available, and update it every year. Downtown units shall be identified in the inventory.
Target Date: 1997, On going.
Responsibility: Redevelopment Agency.

Program 1.4B
Maintain a regular contact with the San Bernardino County Housing Authority to ensure that Section 8 housing assistance and HOME rental property rehabilitation programs within the City are actively pursued.
Target Date: On going.
Responsibility: Community Development Department

Program 1.4C
Should any affordable housing project, as enumerated in this Element be considering conversion to market housing, the City shall contact non-profit corporations which might consider purchase of the project. The City and its Redevelopment Agency will also support these organizations in securing financing for such purchases.
Target Date: On going.
Responsibility: Community Development Department, Redevelopment Agency

Policy 1.5
The City shall uphold the requirements of the Fair Housing Act to ensure equal housing opportunities for all Needles residents regardless of age, sex, race, marital status, ethnic background, income, or other arbitrary factors.

Program 1.5A
Make residents aware of equal housing laws and recourse through educational materials made available at City Hall, the press, and local realtors. All complaints regarding discrimination in housing will be referred to the San Bernardino County Housing Authority. This program should be reviewed yearly as part of the housing objectives review in October.
Target Date: 1997, On going.
Responsible Agency: City Managers Office, Redevelopment Agency

Policy 1.6
Promote and preserve mobile home parks for their value as low and moderate income housing opportunities.

Program 1.6A
Conversion of existing mobile home parks to permanent housing will be regulated by ordinance to ensure that an appropriate relocation plan for park residents is developed and implemented.
Target Date: 1997, On going.
Responsible Agency: Community Development Department

Policy 1.7
Encourage the development of larger unit sizes in multi-family rental projects and second units on single family lots in order to alleviate overcrowding.

Program 1.7A

Larger units shall be encouraged through direct City funding (i.e. RDA participation) or through bond financing for affordable housing through the County Housing Authority.

Target Date: 1997, On going.

Responsible Agency: Community Development Department, Redevelopment Agency

GOAL 2

Preservation of existing residential neighborhoods.

Policy 2.1

The City shall vigorously pursue housing code enforcement.

Program 2.1A

Notify violators of rehabilitation programs available through the Redevelopment Agency. Consider the establishment of a loan fund for these repair cases.

Target Date: On going.

Responsible Agency: Community Development Department, Redevelopment Agency

Program 2.1B

Establish a preoccupancy inspection program in which the City building inspector inspects rental units at a change of occupancy. Change of occupancy referrals can be based on requests for a change in electric service.

Target Date: On going.

Responsible Agency: Community Development Department

Program 2.1C

Develop housing rehabilitation matching grant program using Redevelopment Agency Low & Moderate Income Housing Set-Aside funds for low income households.

Target Date: 1997, On going.

Responsible Agency: Community Development Department, Redevelopment Agency

Program 2.1D

Consider establishing a housing matching grant rehabilitation program for median income households in the Redevelopment Area, to encourage maintenance and beautification of properties in this area. Tax Increment revenues should be utilized to fund this program.

Target Date: 1997, On going.

Responsibility: Redevelopment Agency, City Managers Office.

Program 2.1E

Develop a program for the rehabilitation of sub-standard multi-family residential units using available subsidies for lower income residents, including State and federal programs.

Target Date: 1998.
Responsible Agency: Community Development Department, Redevelopment Agency

Policy 2.2

Protect architecturally significant residences and neighborhoods.

Program 2.2A

The City shall conduct a historical survey of City structures to identify significant residences and neighborhoods, and to build up historic interest in Needles. The inventory shall become an integral part of a Historic Preservation Ordinance which shall establish development standards and rehabilitation and renovation procedures.
Target Date: 1997
Responsible Agency: Community Development Department, Redevelopment Agency

Policy 2.3

Promote the adaptive reuse of vacant buildings within the City as housing.

Program 2.3A

The City shall identify possible adaptive reuse buildings within the City which could be used for housing. The City shall initiate discussions with building owners and the San Bernardino County Housing Authority regarding potential funding assistance and programs available for such reuse.
Target Date: 1997, On going.
Responsible Agency: Redevelopment Agency

GOAL 3

A decent home and satisfying environment for all Needles residents regardless of age, sex, marital status, ethnic background, income or other arbitrary factor.

Policy 3.1

Promote home ownership within the City.

Program 3.1A

The City shall initiate discussions with the City's bank to use City funds on deposit to create mortgage insurance, housing cooperative loans, and a revolving loan fund for housing rehabilitation. If feasible and once established, the City shall distribute information on these programs to the City's residents.
Target Date: 1997, On going.
Responsible Agency: City Manager's Office, Redevelopment Agency.

GOAL 4

Reduced residential energy use within the city.

Policy 4.1

Educate the public in the area of energy conservation and create an awareness of the programs that are available.

Program 4.1A

The City shall evaluate the success of the Responsible Resource Home Program annually, and take every opportunity to expand the program if successful.
Target Date: 1997, Annually.
Responsible Agency: Community Development Department

Program 4.1B

A comprehensive guide of energy saving programs, including the Responsible Resource Home Program and County energy conservation program, should be prepared and made available to residents and businesses. Department of Energy funds may be available to finance this program.
Target Date: 1997, On going.
Responsible Agency: Community Development Department

Policy 4.2

Encourage the use of all viable alternative energy sources within the City.

Program 4.2A

The City shall actively pursue the establishment of locally-owned solar energy, biomass, wind energy and other alternative energy businesses as part of its "home grown industry' program.
Target Date: 1998.
Responsible Agency: City Manager's Office

Program 4.2B

The City shall adopt a solar access ordinance for new homes and home additions which will ensure that homes have access to southerly sun exposure for solar equipment operation, and which will include solar design guidelines.
Target Date: 1998
Responsible Agency: Utilities Department, Community Development Department

Program 4.2C

The City Building Inspector will distribute new building standards, including Title 24 energy saving standards to building permit applicants.
Target Date: On going.
Responsible Agency: Building & Safety Division.

Policy 4.3

The City shall strive to make all City-owned buildings as energy efficient as possible.

Program 4.3A

The City shall conduct an energy audit of all city buildings, and develop plans and an implementation schedule to make any modifications which improve City buildings' energy efficiency.

Target Date: On going.

Responsible Agency: Utility Department, Building & Safety Division.

Program 4.3B

All new City buildings shall be constructed to meet or exceed the energy conservation standards in force at the time of their construction.

Target Date: On going.

Responsible Agency: Utility Department, Building & Safety Division

GOAL 5

Sound growth in the City through the designation of suitable sites for residential development.

Policy 5.1

Minimize housing construction in environmentally sensitive areas.

Program 5.1A

The City shall review all new subdivisions pursuant to the requirements of the California Environmental Quality Act (CEQA), and shall require mitigation of significant impacts wherever they occur.

Target Date: On going.

Responsible Agency: Community Development Department